

From: omar@madscientist.com@inetgw
To: Microsoft ATR
Date: 1/25/02 11:51am
Subject: Comments regarding the Microsoft Antitrust settlement

Your Honor,

I respectfully submit a few thoughts regarding Microsoft and subsequent proposals for settlement.

In October 1997, I was employed by Netscape as the Webmaster. During my tenure I watched our share of the browser market plummet, our revenues chopped in half and several hundred people laid off. The cause was the free availability of browsers from Microsoft.

I took advanced courses in manufacturing during my college days, and learned of the decline of US chip making during the RAM dumping era of the 1980's. The analogy between the behavior of Japanese chip makers and the subsequent effect upon US manufacturers, and the current issues with Microsoft are striking. At the beginning of the "chip war" there were eleven manufacturers of DRAM in the US, by the time the war was over, there was one. The government became aware and national security interests were raised - remedies were enacted, but it took many years for the modest recovery of US production capability.

The foreign chip makers did only one thing - they offered product at below cost and knew their deep pockets would crown them the winner in the long term.

Microsoft did the same thing. Products that had thriving competitive markets have been effectively terminated by price undercutting and free distribution that a deep pocket company can afford. This behavior has neither brought better product nor greater innovation. It has effectively driven many companies out of business - not because they had poor products or were not innovating but because Microsoft made similar products available and used monopoly power and deep pockets to drive competition away.

To summarize my thoughts:

1. The breakup of Microsoft into products and OS will lead to greater competition & innovation. This division of the corporation will be a benefit to the American people and a benefit to the industry.
2. To keep Microsoft as a single entity fosters an opportunity for inappropriate and anticompetitive behavior.
3. Fiscal penalties need to be done in cash and *not* in-kind products.

The proposals that have been reported in the media for in-kind reparations are simple self serving and will *not* address the core issues of the anti-competitive behavior.

I thank you for your consideration.

Respectfully submitted,
Omar Ahmad
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